

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

MICHAEL J. QUILLING, Receiver for Advanced Financial Services, Inc.,	§ § §	
Plaintiff,	§ § §	Civil Action No. 1:03CV-0236
vs.	§ § §	
TRADE PARTNERS, INC., MACATAWA BANK CORPORATION, successor by merger to GRAND BANK, THOMAS J. SMITH and CHRISTINE M. ZMUDKA,	§ § § § § §	
Defendants.	§	

**REPORT AND RECOMMENDATIONS REGARDING RECEIVER'S  
THIRD MOTION TO DISALLOW/ADJUST "A" CLAIMS**

On November 15, 2005 the Court considered the Receiver's Third Motion to Disallow/Adjust "A" Claims [Docket No. 1120]. Based on the record presented and applicable authority, the Court recommends that the investors listed on Exhibit "1" attached hereto be given allowed "A" Claims in the amounts stated in the Exhibit.

It is further recommended that the following individuals be given allowed "A" claims as follows:

<b>Claim No.</b>	<b>Claimant</b>	<b>Allowed Claim</b>
A-00393	Frank L. Luthi	\$23,884.04
A-00394	Frank L. Luthi	\$38,238.19
A-00395	Frank L. Luthi	\$46,841.78
A-04044	Leonard J. Blough	\$4,212.73
A-04045	Leonard J. Blough	\$36,262.17

Claim No.	Claimant	Allowed Claim
A-02274	Harvey E. and Joan V. Baker	\$6,503.76
A-03249	Ross Taylor	\$64,513.92
A-03787	Irene West Revocable Living Trust	\$4,302.49
A-03788	Irene West Revocable Living Trust	\$4,586.97
A-03789	Irene West Revocable Living Trust	\$8,904.84
A-03790	Gary L. Gray	\$4,650.06
A-03810	Debbie Kitchen	\$55,367.44
A-05156	Richard Kolie	\$99,203.73
A-06575	Richard Kolie	\$77,358.91
A-05331	Forrest W. Jenkins	\$457,631.26
A-05332	Forrest W. Jenkins	\$102,202.47
A-05333	Forrest W. Jenkins	\$38,811.61
A-05334	Russell Vail	\$91,333.36
A-05335	Russell Vail	\$38,901.61
A-03784	Paul D. Fox	\$14,000.00
A-03785	Paul D. Fox	\$14,000.00
A-00605	Jorge A. Silva	\$10,000.00
A-00691	Alberto Jaramillo	\$5,693.71
A-06691	Alberto Jaramillo	\$15,000.00
A-06692	Alberto Jaramillo	\$9,306.29
A-06677	Franciso A. Fernandez Guitierrez & Sonia Velandia Lopez	\$10,000.00
A-00883	Alex Palenzona	\$60,000.00
A-05751	Alex Palenzona	\$60,000.00

It is further recommended that the following claims be disallowed in their entirety for the reasons stated in the Receiver's Motion.

Claim No.	Claimant	Allowed Claim
A-02882	Juleene Lepley	\$0.00
A-03803	Rodney R. & Rebecca A. Ferguson	\$0.00
A-04010	Gary L. Gray	\$0.00
A-03250	Ross Taylor	\$0.00
A-01773	Leonard J. Blough	\$0.00
A-04659	Henry Duarte	\$0.00

DATED this 23rd day of November, 2005.

Respectfully submitted,

/s/ Ellen S. Carmody  
 ELLEN S. CARMODY  
 UNITED STATES MAGISTRATE JUDGE

OBJECTIONS to this Report and Recommendation must be filed with the Clerk of Court within ten (10) days of the date of service of this notice. 28 U.S.C. § 636(b)(1)(C). Failure to file objections within the specified time waives the right to appeal the District Court's order. *Thomas v. Arn*, 474 U.S. 140, 155 (1985); *United States v. Walters*, 638 F.2d 947, 949-950 (6<sup>th</sup> Cir. 1981).